RAILROAD COMMISSION OF TEXAS HEARINGS DIVISION

OIL AND GAS DOCKET NO. 03-0296821 IN THE CYPRESS LANDING (EAGLE FORD), FIELD, FAYETTE COUNTY, TEXAS

FINAL ORDER

APPROVING THE APPLICATION OF SN OPERATING, LLC FOR AN EXCEPTION TO STATEWIDE RULE 32 FOR THE SALUD UNIT, WELL NO. 1H, CYPRESS LANDING (EAGLE FORD) FIELD, FAYETTE COUNTY, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on July 14, 2015 the presiding examiners have made and filed a report and recommendation containing findings of fact and conclusions of law, for which service was not required; that the proposed application is in compliance with all statutory requirements; and that this proceeding was duly submitted to the Railroad Commission of Texas at conference held in its offices in Austin, Texas.

The Commission, after review and due consideration of the examiners' report and proposal for decision, the findings of fact and conclusions of law contained therein, and any exceptions and replies thereto, hereby adopts as its own the findings of fact and conclusions of law contained therein, and incorporates said findings of fact and conclusions of law as if fully set out and separately stated herein.

Therefore, it is **ORDERED** by the Railroad Commission of Texas that SN Operating, LLC, is hereby granted an exception to Statewide Rule 32 for the Salud Unit, Well No. 1H Cypress Landing (Eagle Ford) Field, Fayette County, Texas. SN is authorized to flare a maximum volume of 400 MCF per day of casinghead gas from the Salud Unit, Well No. 1H, from June 29, 2015, through July 29, 2017. The authority is granted, provided all production is reported on the appropriate Commission forms.

The operator shall file the Statewide Rule 32 Exception Data Sheet and, shall file at the same time, the appropriate Commission required administrative Statewide Rule 32 Exception gas flaring fee for all wells.

Done this 25th day of August, 2015.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by Hearings Divisions' Unprotested Master Order dated August 25, 2015)